LOCAL AUTHORITIES BOARD

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TWENT FOURTH ANNUAL REPORT 1984

Alberta
LOCAL AUTHORITIES BOARD

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LOCAL AUTHORITIES BOARD

Office of the Chairman

6th Floor, Pacific Plaza, 10909 Jasper Avenue, Edmonton, Alberta, Canada T5J 3L9 403/427-4278

1985-01-30

The Honourable Peter E. Lougheed
President of the Executive Council
Province of Alberta
307 Legislature Building
EDMONTON, Alberta
T5K 2B7

Dear Mr. Lougheed:

I have the honour to submit herewith the Twenty-Fourth Annual Report of the Local Authorities Board for the year 1984.

In addition to providing the information required by Section 26 of the Local Authorities Board Act, this Report also presents a brief description of the Board, its responsibilities and significant activities which occurred during 1984.

Respectfully yours

C. I. Shelley
Chairman

From the Chairman

C.I. Shelley
Chairman

It is my pleasure to present the 24th Annual Report of the Local Authorities Board and review briefly our activities during 1984.

The number of petitions received for annexation and separation increased slightly, while tax exemption applications almost doubled. The latter may be explained by the difficult economic climate in which organizations find it hard to pay the increasing municipal and school taxes.

The number of applications for debenture borrowing declined. The Board issued 360 Orders in the total amount of $230,404,128 and with the exception of one municipality, all the others sold their debentures to the Alberta Municipal Financing Corporation. The City of Edmonton sold two debenture issues in Toronto and London, England, which were countersigned by attending Board Members. The decrease in borrowings can be explained by several factors, namely the elimination of the Government subsidy, the slowly improving economy, the desire not to increase municipal taxes and by the fact that most of the municipalities succeeded in constructing their infrastructures during the years the Government subsidy was available.

The Board conducted 51 hearings into annexation, separation, tax exemption, irrigation and terms and conditions. One hearing involved an amendment to an Order of our predecessor, the Public Utilities Board.

The Board made several recommendations to the Minister's Advisory Committee and as a result Bill 11 amended the Municipal Government Act simplifying some aspects of the debenture approval process and also giving the authority to the Board, subject to the approval of the Minister, to establish limits for borrowing by local authorities.

At the end of 1984 the Minister of Municipal Affairs formed a Debt Guideline Steering Committee with the objective of setting borrowing limits or guidelines. A consultant will be engaged whose work will be reviewed by the said Committee.

Bill 70 amended the Municipal Tax Exemption Act and as a result it is anticipated that the Board will receive an increasing number of tax exemption applications.

In October the Board was represented at the annual meeting of the Alberta Urban Municipalities Association in Calgary.

Introduction

Authority

The Board obtains its authority from the Local Authorities Board Act, Chapter L-27, Revised Statutes of Alberta 1980 as amended.

The Board

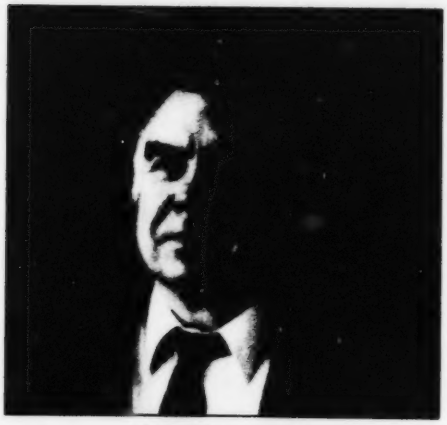
The Local Authorities Board of Alberta is an independent quasi-judicial tribunal. The Board has all such powers, rights, privileges and immunities as are vested in the Court of Queen's Bench with regard to proceedings, the attendance and examination of witnesses, the production and inspection of documents, the enforcement of its Orders, the payment of costs and all other matters necessary or proper for the due exercise of its jurisdiction or otherwise for the carrying into effect any of its powers.

The Orders, decisions, rules or regulations of the Board may, with leave, be appealed to the Court of Appeal on questions of jurisdiction or law but not on questions of fact. The Board's Orders relating to petitions for annexation have no effect unless approved by the Lieutenant Governor in Council who may approve the Order, prescribe conditions that the Order is subject to and approve the Order subject to those conditions, vary the Order and approve the Order as varied, or disapprove the Order.

The Board is not subject to direction by any Minister, Member of the Legislative Assembly, or government official in respect to its quasi-judicial duties.

The Members

The Local Authorities Board Act provides for not more than six persons appointed by the Lieutenant Governor in Council as members of the Board. A member of the Board holds office during pleasure.



J.A. Hammond
Full-time Member

B.T. Clark
Part-time Member

The Staff

The Board has ten staff members. The Financial and Territorial Services Divisions report to the Director of Administration and Board Secretary.

Location

The Board offices are located on the 6th Floor of the Pacific Plaza, 10909 Jasper Avenue, Edmonton, T5J 3L9 (telephone 403-427-4278).

Reporting and Audit

The Board reports to the Lieutenant Governor in Council through the Minister of Municipal Affairs. The Board's expenses are paid from the Province's General Revenue Fund and the accounts are audited by the Provincial Auditor General.

Financing

The Board operates on a fiscal year basis, April 1st to March 31st and submits a yearly budget for approval to the Legislature. As of December 31st, 1984, the Board was within its total budget. It is difficult to forecast expenditures accurately as the Board cannot estimate precisely the nature, extent and number of applications with which it must deal.

The table below indicates the details of the Board's budget:

EXPENDITURE GROUPS	ACTUAL 1983-1984	ESTIMATE 1984-1985
Manpower	$420,827.05	482,724.00
Supplies & Services	77,694.25	110,495.00
TOTAL EXPENDITURE	$498,521.30	593,219.00

The Board obtained $113,445.00 from fees during 1984 in connection with applications from local authorities for loan authorizations by way of debentures, petitions for annexation or separation of land, applications for tax exemptions, miscellaneous amendments, and copies of Orders, etc.

Responsibilities

The Local Authorities Board Act - Other Acts Administered

Section 27 of the Local Authorities Board Act states that

(1) The Board has all the necessary jurisdiction and power

(a) to inquire into the merit of any application of a local authority for permission to raise money by way of debenture or on the security of stock;

(b) to supervise the expenditure of money borrowed by a local authority;

(c) to deal with the financial affairs of local authorities;

(d) to grant permission for the extension of the time for repaying the indebtedness incurred by a local authority for the cost of its public works;

(e) to separate land from an urban municipality;

(f) to order compromises of tax arrears;

(g) subject to the approval of the Minister to establish limits for borrowing by local authorities.

(2) In addition to the jurisdiction and powers mentioned in subsection (1), the Board has all necessary jurisdiction and powers to perform any duties that are from time to time assigned to it by statute or pursuant to statutory authority.

In addition to the aforementioned legislation, there are also numerous sections within the Municipal Government Act which require the approval of the Board pertaining to various matters. There are also several sections within the Municipal Taxation Act, the Municipal Tax Exemption Act, the New Towns Act, the School Act, the Planning Act, the County Act, the Clean Water Act, the Irrigation Act, the Hospitals Act and the Tax Recovery Act that fall to a certain extent under the jurisdiction of the Board. The Board is bound by the Administrative Procedures Act.

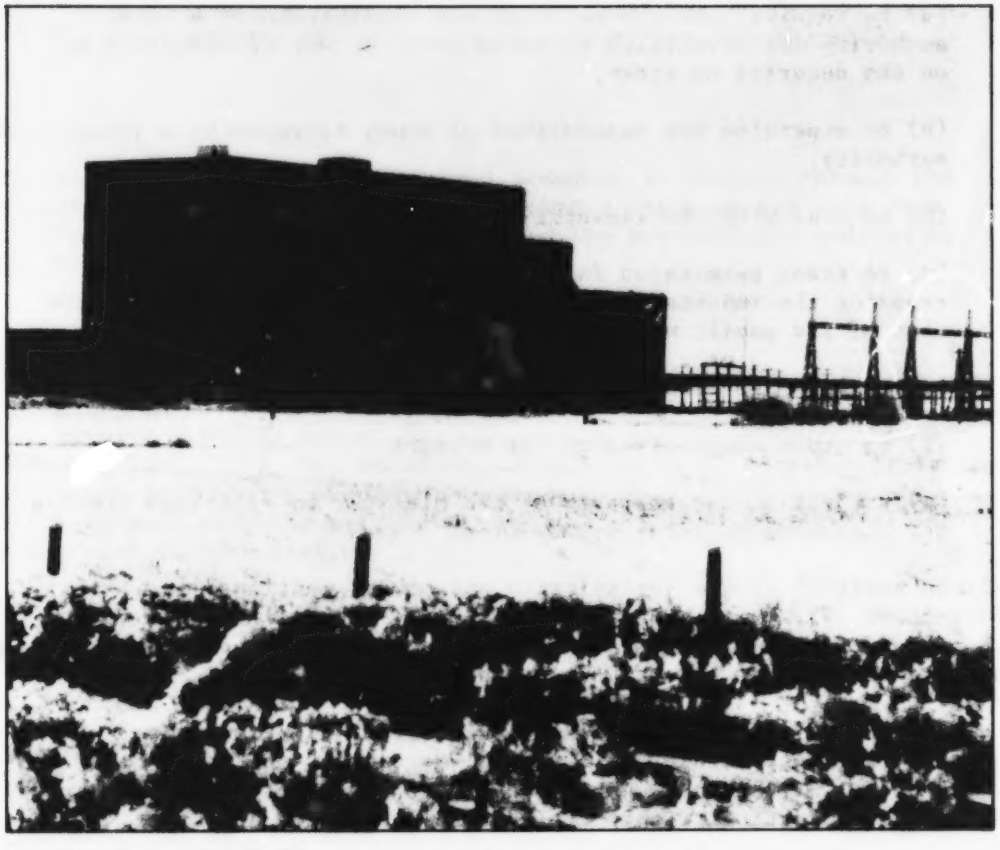
Services

The Board considers and decides upon matters falling into several categories:

A. Debt Creation and Debt Management

1. Applications by local authorities for authorization of debenture borrowings (the Local Authorities Board Act, the Municipal Government Act and the School Act).

2. Applications by local authorities for use of surplus debenture funds (the Municipal Government Act and the Local Authorities Board Act).



Genesee Generating Station

B. Financial Management

3. Applications for inquiry into the affairs of local authorities where financial difficulties are involved, including fixing by Order of the terms and conditions of any resultant financial control of the authority by the Board (the Local Authorities Board Act).

4. Authorization of financial programs for controlled local authorities including a New Town (the Local Authorities Board Act and the New Towns Act).

C. Taxation, Arrears and Special Assessments

5. Recommendations to the Lieutenant Governor in Council respecting applications by non-profit organizations for exemption from assessment and taxation of properties owned and either used by the organization or leased to other non-profit organizations (the Municipal Tax Exemption Act).

6. Applications for compromise of tax arrears from owners or from a municipality (the Local Authorities Board Act).

7. Applications by municipalities for approval to carry out local improvement work and assess the costs thereof against the properties concerned, notwithstanding the lack of consent of the required majority of owners concerned (the Municipal Taxation Act).

D. Territorial Jurisdiction

8. Petitions for annexation or separation of lands to or from municipalities, including the fixing of terms and conditions of such annexation or separation (the Municipal Government Act, the Local Authorities Board Act and the County Act). The annexation Board Orders are subject to approval by the Lieutenant Governor in Council.

9. Applications for approval to acquire lands lying outside the boundaries of a municipality when consent of the municipality in which the lands are situated cannot be obtained (the Municipal Government Act).

10. Referrals by the Irrigation Council of petitions for formation, change of area, amalgamation or dissolution of Irrigation Districts, including the fixing of terms (the Irrigation Act).

E. Other Matters

11. Recommendations to the Lieutenant Governor in Council concerning matters referred to the Board (the Local Authorities Board Act).

12. Applications to authorize the amendment or rescinding of municipal tax sharing agreements when mutual agreement cannot be reached (the Municipal Government Act).

13. Applications by ratepayers for examination of procedures in determining the sufficiency of a petition for or against a local improvement (the Municipal Taxation Act and the Municipal Government Act).

14. Applications by municipalities for establishment and maintenance of plans of insurance to cover municipal property losses and municipal legal liability to others arising out of accidents and occurrences (the Municipal Government Act).

Other Functions

General

The Board communicates through its Orders, Recommendations and Regulations and does not report to any superior in respect to its day to day activities. However, the Board performs a number of functions to assist the Government, Legislative Assembly and municipalities while still maintaining its independence and quasi-judicial status.

Inquiries

The Board, of its own motion may, and upon the request of the Lieutenant Governor in Council shall, inquire into, hear and determine any matter or thing within its jurisdiction. Public hearings are generally held in respect to such inquiries with the result that the Lieutenant Governor in Council receives a report.

Reports

The Board reports its activities to the President of the Executive Council by means of its Annual Report.

Various internal reports describing the Board's activities are made available to the Minister of Municipal Affairs for his information.

Legislative Changes

When requested, the Board provides comments on proposed changes to legislation in respect to matters affecting the Board. Generally, the proposed changes to legislation are initiated by the Board or by the Government.

Orders in Council

The Board issues Orders and makes Recommendations for Orders in Council in respect to annexation and tax exemption matters respectively. The Lieutenant Governor in Council makes the decision whether or not to approve same.

Activities

The following is a summary of applications dealt with by the Board:

	CARRIED FROM 1983	NEW ADDED IN 1984	NUMBER GRANTED IN PART OR FULL	NUMBER NOT GRANTED*	OUTSTANDING AS AT DEC. 31, 1984
Financial					
Debenture	6	360	340	13	13
Temporary Financing	-	6	6	-	-
Exchange of Debenture	-	6	6	-	-
New Town Estimates	-	1	1	-	-
Use of Surplus Funds	1	41	35	4	3
Amendments	-	28	28	-	-
Miscellaneous	-	10	9	1	-
Territorial					
Annexation	11	22	13	6	14
Separation of Land	1	4	-	3	2
Tax Exemptions	6	41	19	21	7
Irrigation Districts	-	1	1	-	-
Amendments	-	2	-	-	2
Miscellaneous	-	3	2	-	1

(* NUMBER NOT GRANTED includes applications refused, returned or withdrawn)

Lethbridge Whoop-Up Drive

Summary

Debenture Borrowings Approved - 1984 (in thousands of dollars)

CATEGORY OF APPLICATION	CITIES	TOWNS & NEW TOWNS	VILLAGES	COUNTIES AND MUNICIPAL DISTRICTS	SCHOOL DIVISIONS AND DISTRICTS	TOTAL
Sewer and Water						
# Approved	17	33	15	11	2	78
Amount Approved	30,325	10,215	1,333	11,552	377	53,802
Roads, Bridges, Curb, Gutter and Sidewalk						
# Approved	65	27	6	-	-	98
Amount Approved	17,993	5,444	288	-	-	23,725
Land and Municipal Buildings						
# Approved	5	5	1	-	-	11
Amount Approved	5,523	1,680	65	-	-	7,268
Vehicles, Equipment and Machinery						
# Approved	6	5	-	1	-	12
Amount Approved	733	493	-	172	-	1,398
Utilities						
# Approved	1	2	-	-	-	3
Amount Approved	14,136	270	-	-	-	14,406
Parks and Recreational Purposes						
# Approved	7	1	-	-	-	8
Amount Approved	5,128	(1)	-	-	-	5,127
School Purposes						
# Approved	-	-	-	40	108	148
Amount Approved	-	-	-	26,421	97,707	124,128
Health and Community Services						
# Approved	-	1	-	1	-	2
Amount Approved	-	22	-	528	-	550
Subdivision and Development						
# Approved	-	-	-	-	-	-
Amount Approved	-	-	-	-	-	-
Solid Waste Disposal						
# Approved	-	-	-	-	-	-
Amount Approved	-	-	-	-	-	-
Totals						
# Approved	101	74	22	53	110	360
Amount Approved	73,838	18,123	1,686	38,673	98,084	230,404

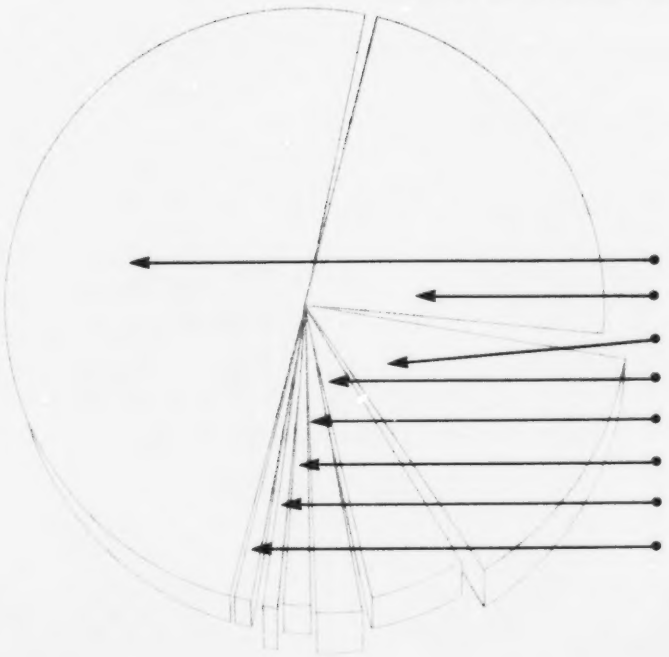
Summary

Annexations Granted - 1984

PROPOSED USE OF ANNEXED LANDS IN HECTARES (ACRES)

	CITIES	TOWNS	VILLAGES	COUNTIES	TOTAL
NUMBER OF APPLICATIONS	2	6	5	-	13
RESIDENTIAL	2,551.14 (6,304.00)	338.00 (835.21)	35.69 (88.19)	- (-)	2,924.83 (7,227.40)
INDUSTRIAL	1,055.42 (2,608.00)	- (-)	7.00 (17.30)	- (-)	1,062.42 (2,625.30)
COMMERCIAL	194.25 (480.00)	- (-)	7.81 (19.30)	- (-)	202.06 (499.30)
CONTROL	20.82 (51.45)	82.43 (203.70)	- (-)	- (-)	103.25 (255.15)
RECREATIONAL	1,456.87 (3,600.00)	54.63 (135.00)	4.27 (10.55)	- (-)	1,515.77 (3,745.55)
OTHER	383.19 (946.89)	86.24 (213.11)	204.09 (502.57)	- (-)	673.52 (1,662.57)
TOTALS	5,661.69 (13,990.34)	561.30 (1,387.02)	258.86 (637.91)	- (-)	6,481.85 (16,015.27)

Distribution by Purpose

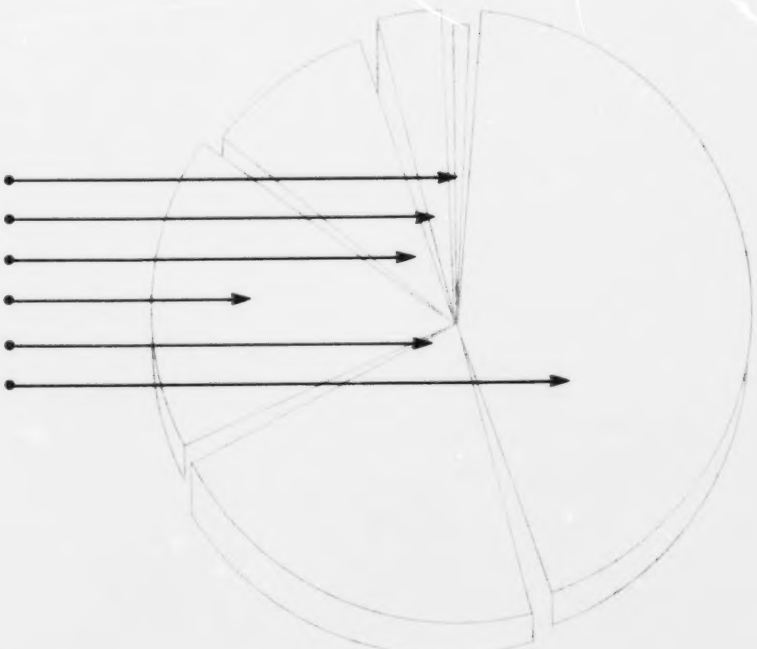


Financial

School - 53.87%
Sewer & Water - 23.35%
Roads, Bridges, Curb, Gutter & Sidewalk - 10.30%
Utilities - 6.25%
Land & Municipal Buildings - 3.15%
Parks & Recreation - 2.23%
Health & Community Services - 0.24%
Vehicles, Equipment & Machinery - 0.61%

Territorial

Control - 1.59%
Commercial - 3.12%
Other - 10.39%
Industrial - 16.39%
Recreational - 23.39%
Residential - 45.12%



Summary of Financial Applications Approved by Local Authority

Cities

Calgary	14
Camrose	5
Drumheller	4
Edmonton	39
Fort McMurray	3
Grande Prairie	9
Leduc	3
Lethbridge	7
Medicine Hat	19
Red Deer	8
St. Albert	4
Wetaskiwin	8
	123

Towns

Airdrie	1
Beaverlodge	1
Bon Accord	1
Bruderheim	6
Calmar	1
Carstairs	1
Castor	1
Coaldale	1
Coronation	1
Daysland	2
Drayton Valley	1
Falher	2
Fort Macleod	7
Gibbons	4
Grimshaw	2
Hardisty	1
High Level	3
High Prairie	4
Hinton	9
Lac La Biche	1
Lacombe	1
Lamont	1
Magrath	2
Millet	1
Morinville	1
Nanton	1
Olds	4
Oyen	1

Towns continued

Peace River	1
Picture Butte	2
Ponoka	3
Rainbow Lake, New Town	1
Redcliff	1
Rimbey	1
Rocky Mountain House	3
Slave Lake	3
Smoky Lake	2
Spruce Grove	9
St. Paul	1
Stettler	1
Stony Plain	2
Swan Hills	1
Sylvan Lake	1
Taber	2
Three Hills	1
Vegreville	2
Vermilion	3
Westlock	4
	106

Villages

Alix	2
Bawlf	2
Beiseker	2
Botha	1
Breton	2
Burdett	1
Chestermere Lake S.V.	2
Cowley	1
Cremona	1
Delburne	1
Donnelly	1
Eaglesham	1
Empress	1
Galahad	1
Hythe	1
Irricana	1
Linden	1
Marwayne	2
New Sarepta	1
Nobleford	1

Villages continued

Ryley	2
Tilley	1
	29

Counties

Vulcan #2	1
Ponoka #3	2
Newell #4	2
Warner #5	1
Stettler #6	3
Forty Mile #8	3
Beaver #9	1
Wetaskiwin #10	2
Barrhead #11	5
Athabasca #12	3
Smoky Lake #13	1
Lacombe #14	1
Wheatland #16	1
Mountain View #17	2
Paintearth #18	2
St. Paul #19	2
Strathcona #20	3
Red Deer #23	1
Vermilion River #24	2
Leduc #25	3
Minburn #27	2
Lac Ste. Anne #28	3
Flagstaff #29	2
Lamont #30	1
Parkland #31	3
	52

Municipal Districts

Pincher Creek #9	1
Provost #52	2
Sturgeon #90	1
	4

School Districts

Calgary R.C.S. #1	3

School Districts continued

St. Albert #3	1
Glen Avon Protestant S. #5	1
Edmonton R.C.S. #7	3
Edmonton #7	5
Calgary #19	5
Medicine Hat R.C.S. #21	1
Fort McMurray R.C.S. #32	2
Thibault R.C.P. #35	1
Manning R.C.S. #37	1
Peace River R.C.S. #43	1
Killam R.C.S. #49	1
Lethbridge #51	3
Coaldale R.C.S. #73	2
Medicine Hat #76	1
Bow Island R.C.S. #82	1
Banff #102	1
Red Deer Public #104	6
Sherwood Park C.S. #105	1
Lakeland R.C.S. #150	1
Camrose #1315	1
Legal #1738	1
Brooks #2092	2
Redcliff #2283	1
Grande Prairie #2357	1
Swan Hills #5109	1
Lakeland Public #5460	1
	49

School Divisions

Berry Creek #1	1
Cardston #2	1
Medicine Hat #4	2
Taber #6	1
Rangeland #9	2
Peace River #10	2
Yellowhead #12	1
Rocky Mountain #15	6
Sturgeon #24	4
Willow Creek #28	2
Pincher Creek #29	2
Wainwright #32	6
Provost #33	1
Westlock #37	2

School Divisions continued

Foothills #38	3	Fort Vermilion #52	2
Rocky View #41	3	East Smoky #54	5
Spirit River #47	1	Three Hills #60	2
High Prairie #48	1	Northland #61	8
Fairview #50	3		62
Lac La Biche #51	1		

Summary of Annexation Applications Granted by Local Authority

Cities

Calgary	1
Lethbridge	1
	2

Towns

Athabasca	1
Beaumont	1
Coaldale	1
Cold Lake	1
Sylvan Lake	1
Three Hills	1
	6

Villages

Bentley	1
Cereal	1
Norglenwold S.V.	1
Wanham	1
White Sands S.V.	1
	5

Summary of Applications by Category of Local Authority

CATEGORY OF LOCAL AUTHORITY	FINANCIAL APPLICATIONS	ANNEXATION APPLICATIONS
CITIES	123	2
TOWNS	106	6
VILLAGES	29	5
COUNTIES	52	-
MUNICIPAL DISTRICTS	4	-
SCHOOL DISTRICTS	49	-
SCHOOL DIVISIONS	62	-
TOTALS	425	13

Edmonton Public School Board Administration Building